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November 6, 1998

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Magalie R. Salas, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Notification of Ex Parte Presentation by the Association for Local Telecommunications Services
Deployment of Wireline Services Offering Advanced Telecommunications Capabilities: CC Docket No. 98-147

Dear Ms. Salas:

Pursuant to §§ 1.1206(b)(1)&(2) of the Commission's Rules, the Association for Local Telecommunication Services ("ALTS") provides notice of an oral *ex parte* presentation related to the above-captioned docketed proceedings on November 4, 1998. The presentations were made by Ms. Cronan O'Connell of ALTS, Thomas Cohen of Davison Cohen & Co., Daniel Kelley and Robert Mercer of HAI Consulting, Earl Comstock of Sher & Blackwell, Thomas Koutsky of Covad, and Mr. Jonathan Canis of Kelley, Drye & Warren. The presentations were made to the following members of the Federal Communications Commission ("FCC"):

Daniel Shiman, FCC Policy
Jonathan Askin, FCC Policy
Jason Oxman, FCC Policy
Douglas Webbink, FCC International Bureau
Maryanne McCormick, FCC International
Stagg Newman, FCC Office of Engineering and Technology
Ellen Burton, FCC Industry Analysis Division

During the presentation, the parties discussed a variety of issues related to the interconnection of CLEC and ILEC networks. Specifically, the parties discussed including

Commission-established standards for collocation and unbundled network elements, and discussed ALTS' proposal for a "Bitstream" unbundled network element at some length. As part of the presentation, ALTS circulated a handout, a copy of which is appended to this filing.

Pursuant to 1.1206(b)(1)&(2), ALTS submits an original and one (1) copy of this oral *ex parte* notification for inclusion in the public record of the above-referenced proceeding. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Jonathan E. Canis

cc w/o encl.: Daniel Shiman, FCC Policy
Jonathan Askin, FCC Policy
Jason Oxman, FCC Policy
Douglas Webbink, FCC International Bureau
Maryanne McCormick, FCC International
Stagg Newman, FCC Office of Engineering and Technology
Ellen Burton, FCC Industry Analysis Division
International Transcription Service

ALTS Presentation

Advanced Wireline Services NPRM
Docket No. 98-147

November 4, 1998

Collocation

- FCC should establish national standards
- Additions to the existing arrangements and would not disrupt these arrangements
- Standards include:
  - Cageless, shared caged collocation
  - Unrestricted cross connections between CLECs
  - Reasonable deployment intervals and rates

Separate Subsidiary Issues

- Under the correct set of circumstances, separate subsidiaries can help
- There is no economic incentive to act as an independent CLEC
- With or without this option, the ILEC will invest -- no further incentives required
- Digital technology is not the correct boundary -- Digital transport services historically have been under monopoly control
  - FCC must ensure correct boundaries exist (monopoly versus competition not technology)

Subsidiary Boundaries

- 251 (c) requirement (resale)
- All transactions through tariffs or public agreements
- Minority ownership
- Human capital/equipment transfer limitations
- Competitors need regulated access to all components needed to provide broadband services
- All essential facilities remain in ILEC
- Enforcement / penalties / remedies

FCC Loop Definition

- Transmission facility between a distribution frame, or its equivalent, in an incumbent LEC central office, and the network interface device at the customer premises (para. 380-47 CFR 51.319(a))
  - In a packet switched environment, the loop is a transmission facility from the MDF at location of the serving packet switch to the NID at the customer premises
  - Serving central office can not be owned by sub
  - The loop is an essential facility
  - Bit stream UNE fits under this definition

Bit Stream UNE

- Bit stream - UNE
  - Point to point delivery of digital circuit from customer premise to the packet switch
  - Family of bit streams at various bit rates
  - Hand off at some natural point of interconnection
  - Not forced to collocate at every single office to access the loop
    - Remember equal access offered access tandems (points of concentration)
- Broadband bit streams have always been provided
  - Today many digital offerings are provided by DSL
    - Bit streams (e.g., "DS1s") would then move into unregulated subsidiary
    - Need to continue to be a necessary component of the ILEC offering
  - Future integration of DLC-RT and DSLAM functionality